Decline in credit share to small scale sector

2505. SHRI V. V. RAGHAVAN:
SHRI J. CHITHARANJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether there is a decline in the share of credit to the Small Scale Sector out of the total credit given by the commercial banks; and

(b) if so, details in this regard and reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The amount of advance to Small Scale Industries (SSI) Sector outstanding in the books of public sector banks as against the net bank credit (NBC) for the last three years as reported by Reserve Bank of India, is as under:

Rs. in crores

Year	Net Bank Credit (NBC)	Outstanding Advances of SSI Sector
1998-1999	246203.42	42674.01
1999-2000	292942.54	45787.78
2000-2001	340887.93	48445.25

Declining Trend in Bank Credit

2506. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether the declining trend in bank credit continued in June, 2001, despite a decline in interest rates in May, 2001;

(b) if so, whether the fall in bank credit is primarily due to reduction in the non-food credit which declined by Rs. 6,931 crore to Rs. 4,66,962 crore; and

(c) if so, what are the steps the Government proposed to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The outstanding amount of bank credit for the months of May and June 2001 (on last Reporting Friday basis) and variation during June, 2001 are given below: